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EREG Guidelines for Good Practice on Information Management and Transparency in Electricity Markets

Bergen Energi welcomes the opportunity to comment on the ERGEGs Guidelines for Good Practice on Information Management and Transparency in Electricity Markets

Bergen Energi is an independent party in the energy market, both in Europe and in the Northern countries. Bergen Energi is active within all of Europe, and is established with offices in 8 countries in Europe. Bergen Energi plays a leading role as broker and portfolio manager in the Nordic market for electricity, and is one of the largest energy brokers in Europe.

Bergen Energi has since its establishment in 1991, been working actively towards a better energy market. The goal has been better conditions for the independent participants, and easier access to the market. This includes free and efficient competition, efficient regulators, avoidance of cross-subsidising and trade barriers. Stricter regulation is in many cases needed, and to accomplish this Bergen Energi has been working actively towards both national and international authorities, regulators and organisations. Bergen Energi has therefore been active in the development of the market since its very beginning.

Bergen Energi would like to support the idea of having clear consistent rules regarding the availability of information. We support ERGEG in the opinion of the need for equal rules and guidelines with regards to the information available in the different market, as these different sets of information available also set different playing fields and divide the different markets.

In its section about the general principles of transparency ERGEG sets out the main rules as to what kind of information that should be available. Bergen Energi fully supports ERGEG in its opinion of all information available unless there are clear reasons for the opposite. To support ERGEG with a more detailed answer as to what kind of information and when it should have been made available Bergen Energi have included its answers to the questionnaires sent out from the European Commission in 2005. This form also include in what time scale the information should have been made available.

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Bergen Energi would like to use the opportunity to ask ERGEG to look into what kind information are made available only for the vertically integrated companies, which thereby gives them an advantage in the market. These sorts of advantages should have been avoided, and all sort of information should have been made available to all participants in the market, regardless of the way they were organised.

If some information is to be available by request, the way one could request this information should be easy and equally set to all parties in the market. The same principle applies to legal framework concerning transparency. Bergen Energi is of the opinion that transparency and available information is very important in order to achieve a well functioning energy market. For that reason the legal framework and regulations should have been defined and made equal to all states.

Transparency is very important, and a very important factor to achieve a better market. This might reduce the cross-subsidizes happening today, might increase the customers trust in the market, might lead to lower barriers to enter the market, better competition and thereby a better functioning energy market.

Bergen Energi looks forward to contributing in the further discussions on this important topic in the future. Please let us know if you have any questions or need any more information.

Yours sincerely
BERGEN ENERGI AS

Camilla Meland
Legal adviser

Enclosure;
The excel sheet made available to the EC in its questionnaire regarding the inquiry in the energy market

For your information we have chosen to include our answers to the questionnaire from the EC, regarding what information that should have been made available;

“Although we are not traders in the market, we have experienced a few problems in regards to the information available.

One of these is the lack of answers and rapports from the grid owners. In Finland this is an important problem for new entrants, and involves a huge barrier to entry the market. Our experience involves 300 installations on 7 different grid areas. None of the involved grid owners send start-up within the time limit. This result in an uncertainty regarding the notification of volume at Nord Pool, and a risk of increased cost in the balancing market if the notification is wrong. Some of the grid owners do not send start-ups (Prodat Z04) before

start of delivery (caused to limitations in the system), some do not send until received measuring meters, others report they do not send Z04 at all, but confirm through update of plants information. (Prodat Z06)

In Germany the way the grid owners communicate, what forms they use, involves a problem that hamper the market and the liberalization of the market. The practical management of the information flow happens through small excel sheets. This is a cumbersome method, and involves a lot of extra work for the companies. They have to deal with a lot of different forms of excel sheets, and induct the information in their own data forms and data systems instead of make the information flow more efficient and impose them to report the information electronically or at least impose the same system on the grid owners.

In Holland the energy market has been liberalized in large extent. But there are still a few obstacles that have to be dealt with. In Holland there is a common measuring point database. The idea and method of data collecting and coordination is one of the best, but only for the participant within Holland. The availability of data assumes an ISDN-line. Within Holland this is not a problem, but for those outside of Holland this is very expensive. This is a high cost element and an expensive system, both to develop and to connect to. This sort of data exchange is a barrier to developing a common European energy market.

*The language might also be a problem and a barrier to new entrants. The directives are often in more than only the local language, and often easy to access. The implementation guides and guiding lines are on the other hand often in the local language. This is the situation in Norway for instance, and in Finland the fact that a lot of the guidelines imposed on the participants are only in Finnish has caused us a lot of extra work and expenses. To impose this sort of rules to the participants **all information** regarding these rules should be available in at least two different languages.”*